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NEWSPAPER

MARCH 2, 1992

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late news

GM and Poland sign FSO accord

FRANKFURT — General Motors Europe said late last week it has signed a memorandum of understanding with the Polish government to assemble Opel passenger cars in Poland with the state-owned automaker, FSO.

Pending a final agreement, GM said it will invest up to $75 million in facilities and equipment in Fabryka Samochow Osobowych. The value of FSO has not been completely appraised, but sources close to the company believe GM will control 80 percent of the venture.

Under the terms of the agreement, GM also will form a joint study team with FSO to develop recommendations for a replacement model for the Fiat 125-based Polonez, the vehicle currently produced by the factory.

GM also will help FSO upgrade its current product and manufacturing.

— Diana T. Kurylko

U.S., Canada try to avoid dispute

WASHINGTON — U.S. trade and customs officials met with Canadian embassy representatives here last Friday in an attempt to head off a formal diplomatic dispute over domestic content for automobiles shipped between the two nations.

see LATE NEWS, 2

Lutz still faces obstacles

Miller's exit may preserve Iacocca's clout at Chrysler

MARY CONNELLY
Staff Reporter

When Chrysler Corp. Chairman Lee Iacocca steps down as chief executive officer on Dec. 31, he is likely to retain a stronger presence and authority than planned because of last week's sudden departure of vice chairman Robert S. Miller Jr.

Chrysler had long anticipated that if Iacocca was succeeded from within the company, two executives would form the succession team — Miller and Chrysler President Robert Lutz.

The two were viewed as a balanced team with Miller contributing the financial strength and Lutz providing the product acumen.

But Miller's abrupt departure to become an investment banker in New York City 10 months before Iacocca's planned retirement now removes the balance from the internal ticket. Rather than ensuring that the 60-year-old Lutz alone will inherit the chairmanship, some observers familiar with the situation suggest Miller's leaving may actually make it more difficult for Lutz to succeed Iacocca.

Board members now must weigh any drawbacks to Lutz flying solo against the certain corporate upheaval if he is not named chairman.

Ironically, one of Lutz's chief contenders for the chairmanship may be former Chrysler vice chairman and Iacocca heir apparent Gerald Greenwald. The board search committee is said to be considering Greenwald as a candidate for the chairmanship and has had several discussions with him, according to those familiar with the situation.

Greenwald removed himself as a contender for the job when he abruptly resigned in 1990 to lead an unsuccessful employee buyout of UAL Corp., the parent company of United Airlines. His action angered and embittered Iacocca but within the last year the two men have reconciled.

Greenwald, like Miller, built his reputation on the financial side of the business. He is now a managing director of the New York investment banking firm Dillon, Read & Co.

Lutz: Now the only in-house candidate.

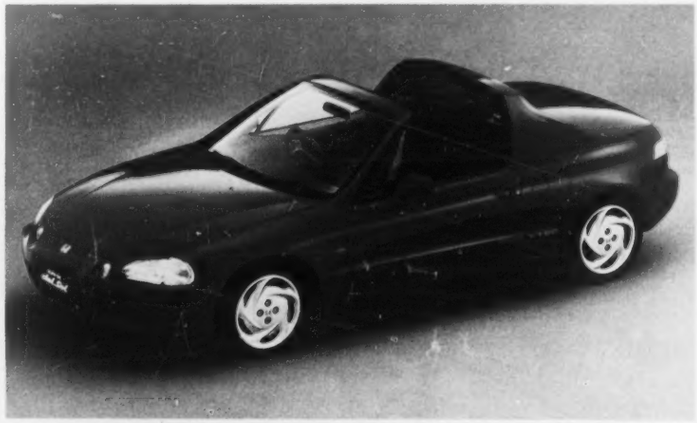
Greenwald's abrupt departure, like Miller's, created havoc in the succession scenario at Chrysler, leading Iacocca and the board to reach the current contract that keeps the chairman at the job through Dec. 31, 1992.

The 67-year-old Iacocca reached the traditional retirement age of 65 in October 1989.

The board's options in finding a successor to Iacocca apparently are narrowing.

Unless the board turns to Lutz or Greenwald,

see CHRYSLER, 37



Honda's new CR-X bows at Geneva

Honda will roll out its CRX replacement, the CR-X del Sol coupe, at the Geneva auto show this week. But the version with an electrically powered sliding roof won't be seen in European or U.S. showrooms for some time — if at all. Stories on the car and the show are on Pages 6 and 8.

Politics play role in Japan price hikes

JOHN K. TEAHEN JR.
and JIM HENRY
Automotive News

Richard Recchia, executive vice president of Mitsubishi Motor Sales of America Inc., is the only leader of a Japanese auto importer who acknowledges publicly that politics are playing a part in the current round of price increases.

"If Mitsubishi raises prices, it will be a combination of everything, politics included," Recchia told the International Motor Press Association in New York last week. "It would be naive to think that politics didn't have some part in it."

Mitsubishi hasn't jumped on the price-hike bandwagon yet, but the

see PRICES, 35

GM reorganization hacks at bureaucracy

Stempel also names 12 doomed plants

PHIL FRAME
Staff Reporter

General Motors will construct a new corporate hierarchy over the next year aimed at holding executives more accountable for their decisions and sharpening the company's focus on vehicles.

Those are the primary goals of Chairman Robert Stempel's vision of a new GM, stripped of its lumbering bureaucracy so it can make money in North America.

GM had a $5.3 billion operating loss in the United States last year, while making significant profits almost everywhere else in the world where it operates.

Stempel announced the vision last week. But for now, the reorganization remains an abstraction. The structure will be determined by a new North American Operations Strategy Board over the next year.

The board consists of GM's top automotive executives and is chaired by President Lloyd Reuss, who gains power in the reorganization. (See Page 34.)

Stempel wants executives held accountable for decisions.

Reuss will be master over North American operations.

Reuss said GM is not specifically trying to cut layers of management with the reorganization, although that could happen. He said many of GM's management layers have been shed in recent years.

The reorganization goals were announced last week by Stempel during a news conference where the company's $4.5 billion 1991 net loss was disclosed. Stempel also named 12 of the 21 plants that he said on Dec. 18 would shut down over the next three years.

Stempel said the prime objectives of the future GM structure are:

see GM, 34

Stempel tells how other plants can survive, Page 34
Developing new products: Toyota vs. GM, Page 34
Yokich vows UAW will block concessions, Page 35

Aluminum spaceframe scores at SAE

AL FLEMING
Industry Editor

DETROIT — Automotive engineers and designers are accelerating weight-reduction efforts for the industry's next generation of cars and light trucks.

That message came through loud and clear at last week's SAE International Congress and Exposition in Detroit.

Technical seminars and press conferences exploded with talk of weight-cutting materials that will help cars meet tough fuel economy and emissions goals without sacrificing performance, interior space or safety.

While plastic, magnesium and new lightweight steel got their share of attention, behind-the-scenes talks with Big 3 and supplier sources indicate aluminum is playing a growing role in new-vehicle programs.

The hottest buzzword is "aluminum spaceframe," a major departure from the tradi-

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inside
Automotive News

ONE-PRICE FORDS
Singular stickers likely for '93 Escort, other cars. PAGE 4

MID-FEBRUARY OPTIMISM
Sales rose for the third straight 10-day period. PAGE 6

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Auto show offerings focus on comfort and roominess. PAGE 8

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HANS G. LEHMANN/HIDDEN IMAGE

Alfa 164 replacement

Caught hiding in traffic, this running prototype of the Alfa Romeo 166 carries similar styling to the 164, the car it will replace in September. The top-of-the line 166 will have all-wheel drive and will be powered by a 24-valve V-6 engine that turns out 230 horsepower.

latenews

CONTINUED
from PAGE 1

Customs, in a ruling still to be made official, has concluded that engines made by Honda in Ohio and shipped to Alliston, Ontario, for assembly into Civics are less than 50 percent North American content. Without the value of the engine, the Civics are considered imports subject to a 2.5 percent U.S. duty. Honda could owe $16.5 million in past duties.

Last Thursday, Canada's treasury department ruled that the engines do meet the 50 percent content requirement and can be shipped into Canada duty-free.

Canadian officials have indicated they will file a formal dispute if informal talks are not successful, said embassy spokesman Malcolm McKechnie. — *Max Gates*

GM to train Quebec workers

STE. THERESE, Quebec — Laid-off workers at the General Motors plant here got a vote of confidence in their future last week.

In the same week that General Motors announced deep cuts elsewhere in its North American operations, GM of Canada inaugurated a new center that will train laid-off Ste. Therese workers to build the new F-body cars, the Chevrolet Camaro and Pontiac Firebird.

The training center occupies 28 rooms of a nearby hotel. It will provide more than 294,000 worker-hours of training at a cost of more than $8.5 million by Dec. 15.

About 3,400 workers were laid off when production of the Oldsmobile Cutlass Ciera ended at Ste. Therese last July. Preparation for production of the new F-body cars begins next fall.

— *Jeremy Sinek*

Hyundai slates part-time work

BROMONT, Quebec — Hyundai workers will return to the Sonata plant here March 16 for two weeks of normal production, then will begin up to six months of three-day weeks.

The plant was closed Feb. 10 after a month-long strike at the parent company in Korea led to a shortage of parts.

A spokesman for Hyundai Auto Canada said the company does not expect the slowdown to last longer than six months.

— *Jeremy Sinek*

Big Pontiac job goes to Myers

PONTIAC, Mich. — Lynn Myers has been appointed general marketing manager for Pontiac. That is the highest post held by a woman in any General Motors car or truck division.

For Myers, 48, the new job is a return to brand marketing. She was with Oldsmobile in advertising and marketing from 1973 to 1988. She was named marketing director there in 1982 and director of planning in 1985.

Myers: rises at GM

She moved to the corporate marketing and product planning staff in 1988 and has been general director of North American marketing and product planning for GM since 1989.

At Pontiac, Myers will be responsible for strategic planning, marketing and advertising activities. She succeeds Joseph Hendrix, who recently was appointed assistant general sales and service manager for the Central United States.

Curry impasse may end soon

WASHINGTON — The confirmation of long-time Bush supporter Andrew Card, 44, as the new Secretary of Transportation gives new life to the career of the administrator of the National Highway Traffic Safety Administration, Jerry Curry.

One of Card's first tasks will be to resolve the impasse over who will head NHTSA and a second key agency, the Federal Aviation Administration.

Curry was nominated last fall to head the Federal Aviation Administration, replacing James Busey who moved up to the No. 2 spot at the department.

After Samuel Skinner left the Department of Transportation to become President Bush's chief of staff, Curry got into a scrape with Busey, who was then acting secretary of the department. In late January, Busey asked Curry to resign. Curry refused. Now Busey is back to being No. 2, and an industry source suggested that Card wants Curry in the Federal Aviation Administration post.

— *Max Gates*

Brazil speeds cut in tariffs

SAO PAULO, Brazil — The Brazilian government said last week it will bring forward two scheduled tariff reductions on imported automobiles in retaliation for continuing price increases by domestic carmakers.

The government said a reduction in the tariff to 40 percent of a car's assessed price from 50 percent, originally scheduled for Jan. 1, 1993, will now take effect Oct. 1. A second reduction to 35 percent, scheduled for Jan. 1, 1994, will move forward to July 1, 1993.

Brazilian carmakers, including affiliates of Volkswagen AG, Ford Motor Co. and General Motors, have steadily raised prices since government price controls were lifted last September. Inflation is currently about 25 percent a month.

— *Rik Turner*

'Jolly John' has new store

SACO, Maine — Jolly John Pulsifer, the flamboyant Ford and Lincoln-Mercury dealer whose overexpansion forced him into bankruptcy last year, is returning to the market.

His new Saco dealership is called Jolly John Auto City.

Pulsifer, 55, last year declared about $9.5 million in debt compared to about $1.5 million in assets when he filed a Chapter 7 liquidation proceeding.

Pulsifer struck a deal with longtime Portland, Maine, Lincoln-Mercury dealer Norman Greenberg to buy the Saco Dodge-Jeep-Eagle store owned by Raymond Crepeau.

Crepeau will continue to operate his Crepeau Motors Inc. Chrysler-Plymouth dealership in Kennebunk.

Greenberg is providing Pulsifer with financing. Pulsifer is the dealer principal and chief operating officer.

corrections

■ An article on Porsche AG in the Feb. 24 issue misidentified the chairman of the supervisory board. The chairman is Ferdinand A. Porsche. Ferdinand "Ferry" Porsche is honorary chairman.

■ A Feb. 10 story gave an incorrect figure for the amount to be paid by Bowles Fluidics Corp. of Columbia, Md., to three holders of a patent for spray nozzles for windshield wipers. The story should have said the company will pay $262,368 annually, including interest, in 1993, 1994, 1995 and 1996.

■ Automotive Service Consultants Inc. of Birmingham, Ala., was hired to work with Oldsmobile, Buick, Pontiac and Cadillac in training their dealers on improving service. A Feb. 17 story misidentified the organization that was hired to do the consulting.

briefly

Used-car license not heaven sent

The Sisters of St. Joseph in Holyoke, Mass., have applied for a used-car dealer's license so the order can attend auto auctions and buy used cars. But auto dealers shouldn't worry. The Associated Press reports that over the years, the nuns in the teaching order have moved out of the convent and into the community to be closer to their work so they need cars. The 500-member order maintains a fleet of 100 cars at their Mont Marie Motherhouse. Though the nuns buy mostly new cars, they want to have the option of buying used cars.

SCHOOL PROJECT — Thirty colleges in the United States and Canada have been selected by **Ford Motor Co.** to build a hybrid electric vehicle over the next 15 months. Twelve of the schools will receive a $10,000 grant from Ford to build the vehicle from the ground up; the rest will receive an Escort station wagon to convert. Kelly Brown, an executive engineer at Ford, says it will cost a minimum of $30,000 to complete the project, and it's possible that one of the vehicles could become a Ford production car. One of the college teams "could be in business," he said.

ONCE BITTEN, TWICE SHY — Chrysler Corp. Chairman Lee Iacocca's recent speech lambasting the Japanese automakers at the Economic Club of Detroit would be a hard act for anybody to follow. Masahiro Uchida, president of **Mazda Motor Manufacturing (USA) Corp.,** was up for the challenge, although he compared the experience to walking into a lion's den. "Frankly, with all the current controversy, I had second thoughts about coming," he said last week to a packed auditorium. But his soft-spoken manner and warm sense of humor won him a warm reception.

MORE BASHING — An irate man, apparently intent on Japan-bashing, yelled at and "charged" like a grizzly bear at a woman showing off cars on the **Subaru of America Inc.** stand last week at the Greater Cleveland Auto Show, said Chris Wackman, Subaru vice president of marketing. This was shortly after **General Motors** closed a plant nearby, Wackman said.

MESSAGE FROM SATURN — Last week's column described a **Lexus** live satellite video conference with its dealers. Lexus believed it was the first such "meeting" between a manufacturer and its entire dealer body. That prompted a priority-one message from **Saturn** headquarters, which wants you to know that it has conducted several such satellite tete-a-tetes with its dealers since November 1990.

YOU CAN'T GO HOME AGAIN — Richard Recchia, executive vice president and chief operating officer of **Mitsubishi Motor Sales of America Inc.,** is a native Detroiter, but he has become the unofficial spokesman for the Japanese auto industry. He told the International Motor Press Association last week that that has made him persona non grata in some Detroit circles. Said Recchia, "After she saw some of the newspaper articles, my mother called me and said they had confiscated my Detroit passport."

Recchia: home not so sweet

Bohn secured at Porsche helm as family takes heat for conflict

DIANA T. KURYLKO
Staff Reporter

FRANKFURT — Arno Bohn last week won his board's unanimous approval to continue running Porsche AG for the next three years, but the company's employees and other shareholders are calling for the ouster of the directors who voted a week earlier to sack him.

The 12-member supervisory board unanimously agreed in an open vote last Tuesday to renew Bohn's contract as chairman of the management board until the end of 1995. Less than a week earlier, the five Porsche and Piech family members, whose families own all the Porsche common stock, denied him the two-thirds majority necessary to extend his contract.

Bohn's backers, the six employee board members who lobbied for his continuation, said last week they are not through. They called for the resignation of the Piech and Porsche members from the board, saying they are a disruptive force.

Shareholders with no voting rights — the family members also hold 40 percent of the preferred stock — also will call for the resignations at the Porsche annual meeting on March 13.

Bohn, who only needed a majority on the second round to renew his contract, said in a telephone interview late last week that he found the unanimous vote "very encouraging."

Bohn said he took the vote as a "commitment," meaning he has the financial resources and their backing for the strategies and programs that his management board has developed.

"We are happy that Porsche has moved out of the headlines and we can concentrate on our work," Bohn said.

"This gives me four years - and that is certainly a time frame where one can do a lot in a company. I am pretty confident."

After failing to muster the necessary two-thirds vote for renewal of this contract, Bohn gave the supervisory board an ultimatum — either give him the vote of confidence he needed to stay by last Friday, or he would leave.

All six of the labor representatives on the supervisory board had backed Bohn. But the Porsche and Piech family members had been searching, quite publicly, for a replacement.

Arno Bohn said he found the unanimous vote to renew his contract "very encouraging."

Bohn said he felt no bitterness toward the supervisory board or any family members because of the episode.

"Ende gut, alles gut," he said — "All's well that ends well."

Stephen Reitman, who follows the industry for UBS/Phillips & Drew in London, said the Porsche family's search for a replacement for Bohn was pointless.

"I think that even if Bohn had been replaced, no one could have done anything else with Porsche," he said. "The company is as much a hostage to economic circumstances as much as it is to its own high cost structure."

Long-term, Reitman added, it is highly probable that Porsche will have to be sold or merged into another company.

Southeast Toyota faces fine, not loss of license

LINDSAY CHAPPELL
Staff Reporter

A North Carolina administrator has asked for $3 million in fines from Southeast Toyota Distributors Inc., but he declined to recommend that the company's business license be revoked.

Attorneys for the dealers say that fines are not enough.

They said they may appeal to have the license of Toyota's independent Southeastern distributor business revoked as they originally requested if the state commissioner of motor vehicles accepts the hearing officer's recommendation.

The ruling, released on Feb. 21, concluded that high-level managers at Southeast Toyota obstructed justice during an earlier state investigation into its business practices, and also unfairly distributed cars in violation of a consent decree it signed in 1988.

One current Toyota dealer and one former dealer had leveled the complaints against the Deerfield Beach, Fla., distributor, and requested that its license be revoked in North Carolina. The 1988 decree stipulated that the state's Department of Motor Vehicles could do so if other evidence of wrongdoing ever emerged.

Hearing officer Judge Robert Collier found evidence of wrongdoing, but recommended fining the company $1 million a year for three years and allowing it to continue in business.

The state's commissioner of motor vehicles must now decide whether to accept the judge's finding or whether to assign a ruling of his own.

A statement released by Southeast Toyota said the company had accepted the judgment and is "extremely pleased" that Collier would permit it to continue distributing Toyota vehicles in the state.

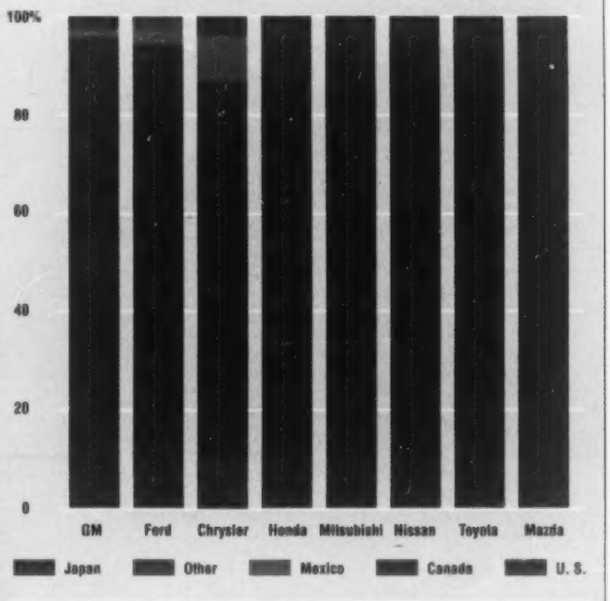
Meanwhile, a Miami attorney has filed a federal class-action lawsuit against Southeast Toyota. The suit seeks more than $100 million.

If a U.S. District judge agrees,

see TOYOTA, 36

How American are automakers?

Chart shows percent of 1991 sales by country of origin.



1991 U.S. sales by country of origin

	Japan	Other	Mexico	Canada	U.S.	TOTAL
GM	91,103	34,700	35,343	549,896	3,608,688	4,319,730
Ford	0	63,280	104,813	369,729	2,329,369	2,867,191
Chrysler	70,195	0	143,724	295,077	998,675	1,507,671
Honda	321,270	0	0	73,591	408,506	803,367
Mitsubishi	121,305	0	0	0	69,496	190,801
Nissan	408,988	0	0	0	174,826	583,814
Toyota	675,657	0	0	35,834	298,989	1,010,480
Mazda	254,852	0	0	0	88,760	343,612

U.S. sales are estimated for vehicles assembled in the United States, Canada and Mexico. Sales of other vehicles are reported by the companies.

Source: Automotive News Data Center

CHARLOTTE WINTER / AUTOMOTIVE NEWS

GM is most 'American' automaker

WILLIAM R. DIEM
Assistant Managing Editor

General Motors is the most American of the top eight automakers.

Although it sells Japanese-built Geos through apple-pie Chevrolet dealers, 83.5 percent of the cars and trucks it sold in the United States last year were assembled in the United States. Ford Motor Co. follows at 81.2 percent, and Chrysler Corp. at 66.2 percent.

The most "American" of Japanese auto assemblers is Honda. If an "American company" is one that domestically assembles half or more of the vehicles it sells in the United States, Honda qualifies. In 1991, Honda built 50.8 percent of its U.S.-sold cars at Honda of America Manufacturing Inc. in Ohio.

Being big causes GM some statistical troubles. Besides having the highest percentage of U.S.-built cars, the giant also imports more vehicles than any other automaker, principally from its Canadian factories. Within the auto industry, Canadian-built vehicles are typically classified as "domestic."

Debates over "import" vs. "domestic" and "American" vs. "Japanese" are complex. The Buy American movement appears to be fading after just a few weeks as those complexities become widely understood. The definitions of each term change fluidly and can be manipulated to support a particular point of view. For instance, the American International Automobile Dealers Association recently

see MADE IN U.S., 36

Yoshihiro Wada said Mazda will not back off on product development for its Amati luxury line, slated to hit U.S. shores in two years.

DAVID NELSON

UNDER PRESSURE

New Mazda President Yoshihiro Wada challenged by spending cuts, Ford talks

RICHARD JOHNSON
Staff Reporter

TOKYO

The new president of Mazda Motor Corp., Yoshihiro Wada, warned last week that pressure on earnings will remain "severe" this year and next and that capital spending will be reduced in each of the next two years.

But with the Amati luxury brand only two years away from its American debut, he said, the company will not back off on product development for its new line of premium models.

In his first interview with the foreign press since becoming president in late December, Wada also said that talks with Ford Motor Co. on sharing production in Europe are going "slowly."

He hinted that no decision can be expected before summer — several months after the companies had previously suggested that negotiations were likely to be wrapped up.

Still, Wada underscored Mazda's commitment to a global partnership with Ford, which owns 20 percent of Mazda.

"In the future this company could not survive alone," he said. "This alliance is very important."

Wada, 60, joined Mazda in 1983. Since August 1988, he has been executive vice president and general manager in charge of corporate planning operations. His background is finance, having joined Mazda after a 28-year career at Sumitomo Bank Ltd., where his last job was general manager of the head office.

Wada replaced Norimasa Furuta, 63, who was named vice chairman after serving as president since December 1987.

see WADA, 36

U.S. buyers must wait for CRX replacement

RICHARD JOHNSON
Staff Reporter

TOKYO — Honda Motor Co. introduced its all-new CR-X del Sol coupe in Japan last week, but the targa-top two-seater isn't expected to reach America until summer at the earliest.

In addition, the CRX replacement's attention-getting electric roof may not be offered in the United States at all.

The CR-X del Sol, which also will debut at the Geneva auto show this week, will go on sale in Japan March 6 through Honda's Verno sales channel with a monthly sales target of 1,500.

"We hope it is in the United States before summer," said Honda President Nobuhiko Kawamoto. But he added that production snags at the Suzuka plant could delay its U.S. introduction.

Executive Vice President Yoshihide Munekuni said a summer launch might be feasible.

"The reason for the delay in introduction in the U.S. is the production," said Munekuni. He said raising the output of "this very special car" will take time.

But other Honda sources said the new car may not arrive in the United States until early fall. They also said it will lose the CRX designation for the American market, where it will be called the Civic del Sol. Although it is CR-X is Japan, it was CRX in the United States.

In its push to appeal to younger consumers in its home market, Honda went all the way to an open car. But to strike a balance between enclosed coupe comfort and Mazda Miata-style fresh-air excitement, Honda engineers developed an automatic, electrically controlled steel roof dubbed the Transtop.

The targa top, the most entertaining roof mechanism since the debut of the 1989 Mercedes SL, opens at a push of a button and takes only a few seconds to open. Honda also offers a manual roof system, a lightweight aluminum top that is stored in the trunk.

Kawamoto joked that he and other purists weren't sold on the roof-raising idea at first. They credited Koutaro Shige, CR-X del Sol project leader, with persistence in pushing the concept to fruition.

Munekuni said Honda still has not decided to offer a U.S. version with the Transtop.

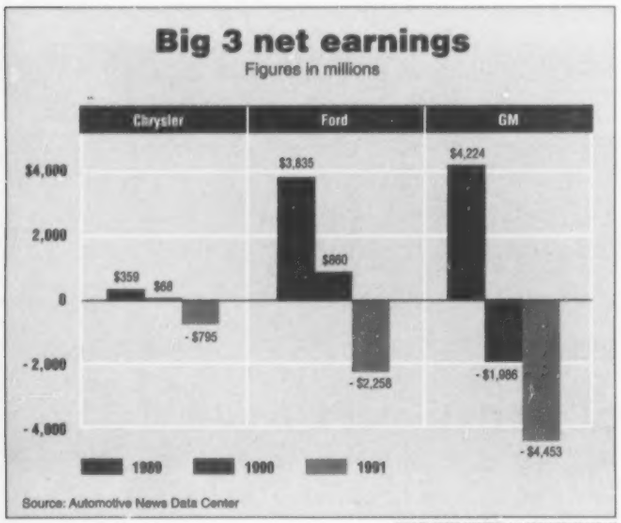
"Americans look first at the price, and the electric roof is priced higher," said Munekuni.

In Japan, the Transtop carries a premium of about 170,000 yen ($1,330 at current exchange rates). Munekuni predicted that about 45 percent of Japanese customers will choose the Transtop roof.

At the push of a button, the CR-X del Sol's trunk lid raises above the roofline and, via a system of cables, drops the electronically controlled steel roof into place over the top of the B-pillar.

The CR-X del Sol is offered with the Civic's 170-horsepower, 1.6-liter, dual-cam VTEC engine and a 130-hp, 1.5-liter version. The car is 157.4 inches long, up from 149.6 inches on the previous model. Width is 66.8 inches, compared to 65.9 inches on the predecessor, and it has a curb weight of 2,403 pounds (2,513 with Transtop), up from 2,138 pounds.

Prices in Japan range from 1.37 million yen ($10,700) for the manual-transmission 1.5-liter version to 1.97 million yen ($15,400) for the SiR Transtop with 1.6-liter engine and four-speed automatic.



CHARLOTTE WINTER / AUTOMOTIVE NEWS

GM loses $4.5 billion; '92 outlook also grim

CHARLES M. THOMAS
Staff Reporter

Despite a grim 1991 fourth-quarter net loss of $2.5 billion and a record loss of $4.5 billion for the year, General Motors could reap a profit sometime after the first quarter if auto sales heat up.

The Big 3 reported a combined net loss of $7.5 billion for 1991, the worst year in history.

Without a dramatic upturn in vehicle sales, GM will likely end 1992 with a loss for the third consecutive year, analysts say.

But the outlook for next year is brighter. "GM has a good chance of being profitable for all of 1993," said Jean-Claude Gruet, auto analyst with New York-based UBS Securities. "North American operations won't be profitable until at least 1994."

If there is no spring sales upturn, analysts say GM will lose money every quarter, though less than in 1991.

"The goal of company officials is just to break even," said Maryann Keller, analyst with New York-based Furman Selz Inc. "They expect GM to show significantly reduced losses this year."

But that will depend largely on a rebound in the economy. Though sales topped last year through Feb. 20, consumer confidence in February was the lowest since 1974, according to The Conference Board, a New York-based research group.

"We're not getting any clear signals that the economy is about to blast off," said Keller. "Consumer confidence isn't exactly at a level where dealers will order an additional 40 or 50 cars."

Still, GM's losses are narrowing. The fourth-quarter loss was $519.8 million before a one-time charge of $1.8 billion for future plant closings and other non-recurring items. The $519.8 million compares favorably to a loss of $1.6 billion in 1990.

GM lost about $7 billion in its North American operations in 1991, but it earned $2.1 billion in Europe and Latin America.

Worldwide factory sales to dealers totaled 7,015,000 units, a decline of 5.9 percent from 1990. But fourth-quarter factory sales were 1,878,000, an increase of 7.6 percent over 1990.

And earnings at GM's subsidiaries continued to rally. General Motors Acceptance Corp.'s earnings increased to $1.4 billion in 1991, up 15 percent.

Electronic Data Systems Corp. earned $547.5 million, up 10.2 percent over 1990. And for the first time since GM acquired EDS in 1984, revenue from non-GM customers exceeded revenue from GM.

GM Hughes Electronics Corp. earned $559 million in 1991, down from $726 million in 1990.

Mid-February sees sales hike over bleak '91

JIM HENRY
Staff Reporter

Sales increased in mid-February for the third straight 10-day period. Sales of cars and light trucks from Feb. 11-20 totaled 335,669, a gain of 5.7 percent over the same time last year.

Year-ago numbers were wartorn poor. Still, the daily selling rate for mid-February was 6.2 percent above early February. And it was the first time since December 1990 that sales have topped the year-ago total in three consecutive 10-day periods.

Some dealers reported increased floor traffic. Lots of people are "just looking," but at least they're looking, said Eli Bloom, a Pontiac and Saturn dealer in Long Island City, N.Y.

"Buy American" hoopla continues, but if it is affecting buying behavior, it's hard to find documentation. While sales for the Big 3 rose 2.2 percent, the biggest Japanese companies reported substantial gains. Sales for Toyota Motor Sales U.S.A. Inc. rose 52.6 percent to 32,515 cars and light trucks. Sales for American Honda Motor Co. Inc. rose 15.7 percent. And Nissan Motor Corp. in U.S.A. was up 10.7 percent.

Mid-February had nine selling days this year and last year.

Toyota last month announced a price increase that will take effect March 13, and that may have motivated some people to buy now. The increases range from $200 for the cheapest Toyota to $2,100 on the top-of-the-line Lexus LS400. Lexus sales jumped 151.1 percent in mid-February.

"Not one person comes in here and talks Buy American," said Joe Mattarella, general manager of Delray Toyota in Delray Beach, Fla., one of Toyota's top-selling U.S. dealerships.

"They're buying the Camry because it's got a good reputation, and it's priced well," he said.

In January, Delray Toyota sold 321 new Toyotas, more than twice as many as in January 1991. February sales were similar, Mattarella said.

Delray Toyota is part of a 15-dealership chain owned by Edward Morse, one of the nation's top-volume Chevrolet dealers. Morse's Saturn, Cadillac and Chevrolet stores also reported improvement.

10-DAY CAR AND TRUCK SALES, BY MAKE

	Feb. 11-20, 1992	Feb. 11-20, 1991
ALFA ROMEO (imp. car)*	**73**	**76**
Acura (imp. car)	**3,168**	**3,343**
Domestic car	12,407	9,838
Imported car	5,090	4,685
Honda	**17,497**	**14,523**
AMERICAN HONDA	**20,665**	**17,866**
ASTON MARTIN (imp. car)*	**2**	**2**
BMW (imp. car)*	**1,091**	**764**
Domestic car*	3,202	3,341
Imported car*	0	22
Domestic truck*	103	105
Chrysler Division*	**3,304**	**3,467**
Domestic car*	9,016	9,408
Imported car*	602	805
Domestic truck*	11,622	11,850
Imported truck*	101	128
Dodge*	**21,340**	**22,191**
Domestic car*	938	979
Imported car*	254	181
Eagle*	**1,193**	**1,160**
Domestic truck*	4,490	4,577
Jeep*	**4,490**	**4,577**
Domestic car*	5,244	5,472
Imported car*	321	314
Domestic truck*	4,285	4,368
Plymouth*	**9,850**	**10,154**
Domestic car*	18,400	19,200
Imported car*	1,177	1,321
Domestic truck*	20,499	20,900
Imported truck*	101	128
CHRYSLER CORP.*	**40,176**	**41,549**
Imported car*	111	134
Imported truck*	53	79
DAIHATSU*	**163**	**213**
FERRARI (imp. car)*	**24**	**24**
Domestic car	35,091	34,407
Imported car	973	865
Domestic truck	34,893	31,458
Ford Division	**70,957**	**66,730**
Domestic car	3,873	6,308
Lincoln	**3,873**	**6,308**
Domestic car	10,060	8,438
Imported car	2,684	2,122
Mercury	**12,744**	**10,560**
Domestic car	49,024	49,153
Imported car	3,657	2,987
Domestic truck	34,893	31,458
FORD MOTOR CO.	**87,574**	**83,598**
Domestic car	15,195	15,922
Buick	**15,195**	**15,922**
Domestic car	6,917	4,270
Cadillac	**6,917**	**4,270**
Domestic car	25,477	29,476
Imported car	2,753	1,870
Domestic truck	26,231	26,620
Imported truck	177	94
Chevrolet	**54,638**	**58,060**
GMC	**8,790**	**6,980**
Domestic car	11,016	11,729
Domestic truck	717	575
Oldsmobile	**11,733**	**12,304**
Domestic car	12,140	10,638
Imported car	213	463
Domestic truck	529	526
Pontiac	**12,882**	**11,627**
Domestic car	4,421	854
Saturn	**4,421**	**854**
Domestic car	75,166	72,889
Imported car	2,966	2,333
Domestic truck	34,267	34,701
Imported truck	177	94
GENERAL MOTORS	**112,576**	**110,017**
HYUNDAI*†	**1,806**	**2,253**
Imported car*	314	199
Domestic truck*	1,296	757
Imported truck*	1,454	1,736
ISUZU*	**3,064**	**2,692**
JAGUAR (imp. car)*	**200**	**137**
LAMBORGHINI (imp. car)*	**4**	**4**
LOTUS (imp. car)*	**8**	**8**
MASERATI (imp. car)*	**6**	**6**
Domestic car	1,507	3,978
Imported car*	3,251	3,127
Domestic truck	167	286
Imported truck*	2,167	2,580
MAZDA*	**7,091**	**9,971**
MERCEDES-BENZ (imp. car)*	**1,328**	**1,013**
Domestic car	1,871	2,159
Imported car*	1,728	1,485
Imported truck*	521	796
MITSUBISHI*	**4,120**	**4,439**
Infiniti	**733**	**559**
Domestic car	3,239	2,616
Imported car*	5,169	4,574
Domestic truck	3,538	3,016
Imported truck*	3,105	3,491
Nissan*	**15,051**	**13,597**
NISSAN MOTOR CORP.	**15,784**	**14,256**
PEUGEOT (imp. car)*	**31**	**104**
PORSCHE (imp. car)*	**126**	**69**
RANGE ROVER (imp. truck)*	**85**	**63**
ROLLS/BENTLEY (imp. car)*	**7**	**7**
SAAB (imp. car)*	**318**	**308**
STERLING (imp. car)*	**0**	**61**
Domestic car	1,187	1,074
Imported car*	1,002	1,285
SUBARU*	**2,189**	**2,359**
Imported car	154	117
Imported truck	373	356
SUZUKI*†	**527**	**473**
Lexus (imp. car)	**3,385**	**1,348**
Domestic car	10,516	5,854
Imported car	11,047	8,048
Domestic truck	618	0
Imported truck	6,949	6,057
Toyota	**29,130**	**19,959**
TOYOTA MOTOR SALES	**32,515**	**21,307**
Audi (imp. car)*	**324**	**253**
Imported car*	1,924	1,923
Imported truck*	53	96
Volkswagen*	**1,976**	**2,019**
VWoA*	**2,300**	**2,272**
VOLVO*†	**1,653**	**1,577**
YUGO (imp. car)*	**173**	**110**
Domestic car	**173,317**	**166,761**
Imported car	**52,039**	**44,241**
TOTAL CAR	**225,356**	**211,002**
Domestic truck	**95,278**	**91,118**
Imported truck	**15,036**	**15,476**
TOTAL TRUCK	**110,313**	**106,594**
TOTAL CAR & TRK	**335,669**	**317,596**

*Estimated †Breakdown of North American built and imported car sales not available.
There were 9 selling days in the period this year and 9 last year.

in brief

RECREATIONAL VEHICLES

Ford fields lighter RV chassis

DETROIT — Ford Motor Co. will begin producing a new 15,200-pound gross vehicle weight version of its F Super Duty motor home chassis for the RV market.

The new chassis, available only on a 178-inch wheelbase, is priced at $15,916, according to Jerome Mittman, Ford RV sales manager.

Mittman said the chassis is aimed at Chevrolet's market. Chevrolet's chief strength is in its 14,500-pound gvw chassis. Until now, Ford has offered only a 17,000-pound gvw version of its Super Duty for the RV market.

Glaval hikes van production

ELKHART, Ind. — Glaval Inc., the industry's second-largest van converter, said its orders increased to 1,310 for January. That is nearly double the 610 of January 1991, according to Kevin Slater, Glaval vice president of sales.

Slater said February has also been tracking at twice the level of a year ago.

The converter is currently producing 85 units a day, up from 55 a year ago. It will increase production to 100 units a day by March 20 and expects to peak at 125 units a day, its maximum capacity, during April and May.

Conversion sales picking up

Big 3 helping with incentives

JOSEPH BOHN
Truck Editor

Aided by the impending spring market and wholesale and retail incentives, van conversion sales have been picking up steam.

General Motors further stimulated demand by announcing a new floorplan allowance program for dealers.

Under the program, Chevrolet and GMC dealers receive 60 days of free floorplanning on each full-sized van conversion ordered between Feb. 21 and March 20.

The program is geared to moving units out of converter inventory and onto dealers' lots.

Because of GM's shutdown of the Lordstown, Ohio, full-sized van plant on March 20 for model changeover, Chevrolet and GMC have encouraged converters to stock up on extra van chassis to carry them through the critical spring and summer selling months.

The new program will help distribute units more evenly between converters and dealers.

But it also reflects GM's view of steadily building retail activity, said Gary Soos, general manager of Custom Craft Vehicles in Milwaukee. Custom Craft is a major Chevrolet and GMC converter.

"If retail were in the toilet, they wouldn't put out a program like that," Soos said.

Custom Craft has been "seeing retail get a little better each week," he added.

"The spring market is really beginning to take hold," Soos said.

Soos believes, in fact, that there will be a shortage of van chassis in July and August.

Soos said that because GM converters had to place advanced orders due to Lordstown's shutdown, they pretty well know how many chassis they will have to work with during the 1992 model year.

Soos believes the extent of the shortage will depend on how quickly GM gets the Flint, Mich., plant running.

The Flint plant will build the vans previously built at Lordstown.

Jim Green, Chevrolet assistant RV manager, confirmed that GM will have limited capacity to supply 1992 model full-sized vans once Lordstown goes down.

According to his calculations, full-sized van production will be cut 80 percent until the Flint plant is in full operation.

The Michigan plant will begin production in August. But until then, only the Scarborough, Ontario, plant will be producing full-sized vans.

Consequently, chassis availability will be tight.

Chassis will be doled out to converters partly on the basis of how much inventory they have and how quickly they're selling their vehicles — the traditional "turn and earn" system — as well as on how many they ordered, Green said.

GM has taken a number of steps to stimulate the market.

It has been giving converters virtually free floorplanning for 180 days on full-sized van chassis ordered after Nov. 1.

And, more recently, in addition to its dealer floorplan incentive, it raised customer rebates on its vans.

Chevrolet and GMC are offering:

- $1,000 rebates on upfitted, full-sized 1991 and 1992 vans.
- $400 on 1991 model upfitted Astro and Safari models.
- $500 on upfitted 1992 model Astro and Safari vans.

All incentives run from Feb. 18 to March 31.

Ford Motor Co. also has been giving dealers 150 days of free interest on full-sized Econoline van conversions ordered prior to March 3.

Dodge has perhaps the strongest dealer incentive on conversions. Dealers who sell two van conversions in a 30-day period receive $500 on each of them. They get $1,000 on the third and fourth units they sell during the 30-day period and $2,000 for the fifth and additional units.

This program runs Dec. 21 to March 31. Dodge also has consumer rebates of $1,000 on its full-sized van conversions running in all its sales regions except the Northeast during the same period.

RECREATIONAL VEHICLE WHOLESALE DELIVERIES

	Dec. 1991	Dec. 1990	% change	12 mos. 1991	12 mos. 1990	% change
Travel trailers	2,500	2,400	+ 4.2	49,300	52,500	- 6.1
Park Trailers	500	600	- 16.7	6,800	7,200	- 5.6
Travel trailers—fifth wheel	1,700	1,200	+ 41.7	28,300	27,900	+ 1.4
Folding camping trailers	3,500	2,300	+ 52.2	33,900	30,700	+ 10.4
Truck campers	500	400	+ 25.0	9,600	9,700	- 1.0
Towable RV total	**8,700**	**6,900**	**+ 26.1**	**127,900**	**128,000**	**- 0.1**
Conventional (type A)	1,400	1,300	+ 7.7	23,500	29,000	- 19.0
Van Campers (type B)	200	400	- 50.0	3,500	5,900	- 40.7
Chopped vans (all)	700	700	0.0	15,200	17,400	- 12.6
Motor home total	**2,300**	**2,400**	**- 4.2**	**42,200**	**52,300**	**- 19.3**
Van conversions	10,800	6,900	+ 56.5	130,400	174,200	- 25.1
TOTAL ALL RVs	**21,800**	**16,200**	**+ 34.6**	**300,500**	**354,500**	**- 15.2**

Source: Recreation Vehicle Industry Association

Converters hang back on Chrysler minivans

JOSEPH BOHN
Truck Editor

Chrysler Corp. has made some inroads into the van conversion market with its minivan.

But it isn't likely to take a sizeable share of the market until at least the 1993 model year.

The price of the Dodge Caravan C/V is the main obstacle to its success in the van conversion market, according to Jim Lynch, Dodge special vehicle sales manager, and independent converters.

Dodge began offering a special van conversion prep package for the Caravan C/V in the 1992 model year.

It had hoped to develop new niche markets for the minivan as a result of extra production capability garnered through agreements worked out with the UAW.

Lynch: price an obstacle

But only two converters have converted any Caravan C/Vs. They are American International/Gerwin of Bristol, Ind., and Elk Enterprises Inc. of Elkhart, Ind.

Lynch said the full-sized vans, including conversion units, are heavily incentivized while minivans are not.

Chrysler has a consumer rebate of $1,000 on its full-sized van conversions and additional dealer incentives of $500 to $2,000 per unit until March 31, according to dealers.

Lynch said Chrysler's truck marketing people are studying the pricing of the minivan chassis to see what they can do to make it more competitive in the conversion market for 1993 model year.

Kevin Slater, sales manager for Glaval Inc. of Elkhart, Ind., also said the size of the Ford Aerostar and Dodge Caravan C/V make them harder to convert than the Chevrolet Astro and GMC Safari.

He said the Caravan C/V has less headroom than the GM compact vans.

Bob Wolfe, owner of Advanced Creations in Romulus, Mich., said seats and other parts are not readily available, either.

He said that even if a converter found a seat supplier, this is not the time to open a new account, go through compliance registration and do the work to get into converting the Caravan C/V.

"This isn't the time of year to prototype vans. It's the time to build them," he added.

Wolfe, like other converters, has seen a solid pickup in his business.

"Instead of dealers being oversupplied, we're fighting to get units to them. The market has really turned around in the last two weeks," Wolfe said.

He said the greatest rise in demand has been in medium to high-priced conversions. That indicates a strong revival in demand among affluent buyers.

Winnebago raises the roof

Winnebago Industries Inc. of Forest City, Iowa, has a new SL raised-roof van conversion for business and pleasure. It features standard running boards. A choice of bumper steps and mag wheels are available.

RVIA says safety rule restricts converters

RESTON, Va. — Van converters are now meeting Federal Motor Vehicle Safety Standard 208 that pertains to occupant protection in crashes.

Still, the Recreation Vehicle Industry Association felt that officials at the National Highway Traffic Safety Administration should have postponed the effective date of the standard for van converters from September 1991 to September 1992.

Ed Conway, assistant general counsel for RVIA, said the standard still restricts much of what converters can do to vans.

The association also stressed that in the future, NHTSA should give second-stage manufacturers, such as van converters who finish off incomplete chassis, more time to meet major safety standards than single-stage manufacturers.

Making the new regulations effective for both the Big 3 and converters at the same time last fall threw the conversion industry into a tizzy because Detroit didn't issue instructions on how to proceed with its chassis until the last minute, Conway said.

Converters who produce vans for the handicapped have gotten relief from the standard through the efforts of the RVIA. Conway said NHTSA had granted his petition to exempt vans for the handicapped from its crash requirements in Standard 208, but has not yet posted the proposed notice of rulemaking to provide the exemption.

Converters were refusing orders to put wheelchair lifts into vans because such installations required more modification than in a regular conversion.

Conway said that move essentially limited the ability of handicapped individuals to travel and seek work.

S. Korea pushing hard to diversify export base

OLES GADACZ
Staff Correspondent

SEOUL — South Korean automakers are leaving no stones unturned in their global search for new markets.

In 1988, when the industry's exports peaked at 546,310 units, Korean cars were selling in 102 countries. But two markets, the United States and Canada, accounted for over 80 percent of sales.

To counter a steep sales slump in North America since then, Korean automakers have pushed aggressively into new markets.

Their diversification efforts appear to be paying off. Although the industry's overseas shipments in 1991 were off 30.7 percent from the 1988 high, its vehicles are now selling in 145 countries. And its dependence on the U.S. and Canadian markets was cut to 60.4 percent of the industry's total exports last year.

Shipments in 1991 to the United States, still the industry's largest export market, fell 12.8 percent from 1990, to 171,024 units. As a result, the U.S. share of Korea's total auto exports dropped to 45.2 percent.

In sharp contrast, exports to Europe skyrocketed 146 percent last year, to 72,860 units, making Europe Korea's second leading export market. In 1990, Europe accounted for just 8.7 percent of Korean exports. Last year, exports to the region grew to 19.2 percent.

The United States, Canada, Taiwan, Australia, Poland and Britain each imported more than 10,000 Korean-made vehicles in 1991. Countries importing more than 5,000 Korean-made cars in 1991 included Greece, Italy, Germany, the Netherlands and the Philippines.

SOUTH KOREA'S VEHICLE EXPORTS

	1990	Percent of total exports	1991	Percent of total exports	Percent change
United States	196,286	57.8	171,024	45.2	– 12.8
Canada	54,888	16.2	57,592	15.2	+ 4.9
Europe	29,605	8.7	72,860	19.2	+146.0
Others	58,662	17.3	77,124	20.4	+ 31.5
Total	**339,441**	**100.0**	**378,600**	**100.0**	**+ 11.5**

Source: South Korea Ministry of Trade and Industry.

FILLING THE PIPELINE

"In general terms, you have to be impressed with the progress the Koreans have made," says Melissa Brown, who follows the industry for Barclays de Zoete Wedd Securities. "It's very important that they extend their distribution channels, and Europe is a very difficult, complex market to penetrate."

But Brown says she is not at all confident that the new markets are generating any profit for Korean carmakers. A large part of the increased shipments must be attributed to "pipeline filling," she says.

"Whenever a new company sets up distribution, you have to bring in inventory, and we've seen a number of new markets (emerge) in Europe," she says. "There are times when the aggressiveness of Koreans will pay off, but the major question is how profitable it'll be."

Hyundai Motor Co. blazed the European trail for Korean automakers in 1991 by beginning distribution in a number of new markets, Germany being the most important.

Hyundai says its shipments to Europe this year will rise 32 percent from 1991, to 90,000 units, while Kia Motors Corp. foresees exports of 7,200 units, double the 1991 figure.

Last year, the two shipped a combined total of 72,300 cars to 21 European countries, up 127 percent from 1990.

Hyundai has been a big winner in the former Communist Bloc. The company shipped 10,278 cars to Poland last year, up from 610 in 1990. But sales to war-ravaged Yugoslavia, which in 1990 surged to 8,300 units from virtually zero in prior years, tumbled to 4,665 units last year.

Sales to Italy jumped from 3,034 in 1990 to 8,409 in 1991, while sales to Greece rose from 1,584 to 9,349.

EAST EUROPE TARGETED

Automakers here plan to raise their export goals for Eastern Europe by up to 58 percent this year. According to the Ministry of Trade and Industry, South Korea's five automakers plan to ship 28,350 cars to the region in 1992, up from 17,880 last year.

Hyundai, the largest, will ship 11,000 passenger cars this year to Poland, including Excels, Scoupes and Sonatas. Hyundai also plans to export 2,000 cars to Hungary, the former Soviet Union and Yugoslavia. About 1,500 units are to be shipped to Czechoslovakia, 1,200 to Bulgaria and 300 to Romania.

Kia Motors, following its debut in the British market in 1991, isn't planning to expand in Europe until 1993. By next year, Kia hopes to have patched together a network of dealers and distributors throughout Europe to handle its newly developed Sephia subcompact and Sportage sport-utility.

Kia exported 3,500 Ford Festiva-based Prides to Britain last year, and expects to ship 5,000 units this year.

According to an unconfirmed report, Kia has orders for 800 Prides from the former Soviet Union for delivery this year, and is gearing up to begin shipping its all-new Sephia to Poland and other Eastern countries beginning next year. Kia also will export 200 trucks to Bulgaria this year.

FRENCH BAN LIFTED

Korean automakers also are setting their sights on the French market this year. In the hopes of clinching a multi-billion-dollar contract from Korea for the TGV high-speed train, the French government last month lifted its import ban on Korean cars.

France was the only state in the European Community to ban imports of Korean cars.

Korean automakers say they expect to export a combined 5,000 cars a year to France, with the first shipments likely during the second half of this year.

Korean automakers also are setting high export goals for Central and South America. Their moves come as many countries in that region are lifting restrictions on car imports and lowering tariff rates on imported cars.

Hyundai is projecting exports to Latin America of 15,000 units this year, doubling 1991 shipments.

Kia also plans to sell more than 10,000 cars in Central and South America this year, compared with 3,200 last year.

Hyundai, whose main markets in the region were Panama and Puerto Rico last year, will explore car markets in Brazil, Argentina, Peru, Venezuela and Colombia.

Kia will mobilize the Ford sales network to export Pride cars to Venezuela while building its own sales arm in Brazil and Colombia.

Brazil, Colombia, Peru, Venezuela and Argentina have steadily lowered the tariff rates on car imports since 1990. The rates now range from 15 to 35 percent.

Jaguar recalls XJS

DETROIT — Jaguar Cars Inc. is recalling about 11,000 1989-91 model V-12 XJS cars to check for a condition which, if unattended, could lead to an engine fire.

The company said a high-tension ignition coil could be moved and cause excessive wear on a fuel injector hose. That, in turn, could eventually leak and cause a fire.

— *The Associated Press*

Hyundai names Garavelo as official importer for Brazil

SAO PAULO, Brazil — The Garavelo Group, a major distributor of new vehicles through Brazil's unique car-buying clubs, has been named the country's official importer of Hyundai models.

The Sao Paulo-based group said it expects to receive its first shipment of 300 cars this month.

Garavelo said it expects to import 6,000 units this year, building up to 7,200 or more in 1993 and beyond. The company will market the Excel, Elantra, Scoupe and Sonata through a proprietary dealership in Sao Paulo and 150 franchised outlets in the rest of the country.

Prices will range from $17,000 for the Excel to $47,000 for the Sonata, the company said.

Garavelo said it will invest some $3 million this year on inventory and $10 million on plant, parts, promotion and training.

— *Rik Turner*

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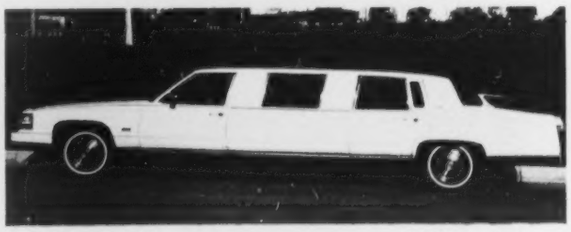

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digest

NADA WOOS MEXICO DEALERS

MONTERREY, Mexico — The National Automobile Dealers Association has extended associate membership to dealers in Mexico.

In an address delivered to the Asociacion Mexicana de Distribuidores de Automotores AC last week, Richard Strauss, NADA president, announced the new International Dealer Affiliate program.

Affiliate members receive all mailings sent to NADA members and also may participate in a wide range of educational conventions, meetings and consulting services.

AD TABLOID WORKS IN OHIO

AKRON, Ohio — A monthly dealer-advertising tabloid launched in October in Akron has been so popular with dealers it has become a weekly publication with lower ad rates.

The first weekly issue of *Dealer's Automotive* is due out March 4, said Terry Gwinn, the publication's general manager. As a monthly, the publication charged $3,266 for a full-page ad. Based on the assumption that dealers will continue to advertise at the current level, the full-page rate for the weekly publication will drop to around $2,000, Gwinn said.

About 50 of the 60 franchises included in the publication's distribution area advertise in the publication, he added.

Dealer's Automotive is owned by 35 dealers in the Akron area and contains one or two pages of editorial in each 24-page issue. The publication has a circulation of 240,000.

CANDIDATE COURTS DEALERS

INGLESIDE, Texas — Mark Crawford, candidate for the Texas state Senate, is pushing a dealer issue as one of his main campaign themes.

Crawford is echoing dealer complaints that manufacturers are cheating dealers out of money by paying them less than the retail amount when they do warranty work.

"For years, we've had a law on our books that states in no event shall any manufacturer or distributor pay its dealers an amount of money for warranty work that is less than that charged by the dealer to retail customers for non-warranty work of like kind," Crawford said in a press release.

Manufacturers generally pay dealers less for parts and labor when they do warranty work than the amount dealers charge to consumers for non-warranty retail work.

Crawford said car owners would get better warranty service and non-warranty costs would be lower if the law is enforced.

BATTERY WINNERS DUE SOON

DETROIT — The battery consortium formed by the Big 3 to invent a new battery for electric cars indicated it may soon announce the technologies it will investigate.

Frank Jamerson, chairman of the consortium's technical advisory committee, said the group met with representatives of five national laboratories and ironed out all the terms and conditions of several research contracts. None has yet been announced, but Dreisbach ElectroMotive Inc. of Santa Barbara, Calif., said its zinc-air battery proposal was one of the winners.

Jamerson told an audience at the SAE convention that the U.S. American Battery Consortium was meeting most of its deadline targets, but he admitted that it had missed goals of naming half a dozen target battery technologies last year.

TOYOTA

Distributor for Southeast faces class-action suit

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every existing and former Toyota dealer in Florida, Georgia, Alabama and the Carolinas could choose to become a party to the Miami lawsuit.

One current North Carolina Toyota dealer, Bobby Murray Toyota-Mitsubishi Inc. of Rocky Mount, N.C., and three former dealers brought the suit against Southeast Toyota Distributors Inc., of Deerfield Beach, Fla.

The new suit is similar to others the company faces around its exclusive territory. The group alleges that in the 1980s Southeast Toyota manipulated vehicle allocations to reward or punish Toyota dealers for their actions, and coerced dealers into accepting unwanted vehicles and accessories.

Southeast Toyota management has denied such charges in previous lawsuits.

Altogether, Southeast Toyota is facing more than a dozen lawsuits from current and former dealers who allege predatory business practices by the distributor.

A complaint has also been filed in South Carolina that would revoke the company's license there.

The first lawsuit against Southeast Toyota came to trial in January in South Carolina, where a jury decided in favor of a Toyota dealer based in Florence.

That dealer may be awarded damages of up to $16.5 million.

MADE IN U.S.

Study of content finds GM has most, Mazda least

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distributed a pamphlet in which it classifies Big 3 models built in Canada as "imports" and Japanese-brand models built in Canada as "North American."

This story and its accompanying chart examine where cars are assembled.

Of the Big Five Japanese brands, Toyota is next-to-last in American assembly at 29.6 percent. When an expansion of its Georgetown, Ky., plant is complete in 1994, that percentage will rise. In absolute numbers, Toyota was the largest importer from Japan in calendar 1991.

Mazda was the least American of the Big Five Japanese companies: 25.8 percent of its U.S. sales were assembled in the United States, including the Navajo sport-utility built by its partner, Ford Motor Co. At the same time, Mazda expects to be the first Japanese company to qualify cars it builds as a "domestic" fleet by EPA standards when it begins selling the 1993 MX-6 and 626 models built in Michigan.

Ford is the least Japanese of American companies. Ford sells no Japanese-assembled cars here, although it does sell Probes made by Mazda in Michigan. Ford's Pacific Rim suppliers are in Australia (Mercury Capri made by Ford Motor Co. of Australia Ltd.) and Korea (Ford Festiva, made by Kia Motors Corp.).

Among the eight automakers considered here, the Big 3 plus Honda and Toyota all import cars from Canada. Chrysler relies on Canada the most, for 19.6 percent of its vehicles.

Many Americans and some Canadians see Canada as just a different kind of state. Under the U.S.-Canadian Auto Pact of 1965, cars built in Canada can be imported without paying duty if the combined U.S. and Canadian content is 50 percent or more.

The Big 3 also import cars from their own factories in Mexico. The carmakers don't announce the combined Canadian/U.S. content of those cars, but the Mercury Tracer has more than 75 percent of such "North American" content.

The companies blend Mexican cars into their U.S.-Canadian "domestic" fleet when they report sales. But by using Mexican production and import records, the Automotive News Data Center can estimate their effect. Chrysler is the leading importer from Mexico, building 9.5 percent of its fleet there.

Assembly isn't the end of the story. Many parts of vehicles assembled in the United States are imported. In general, Big 3 vehicles assembled in the United States have a much higher percentage of U.S. content than do Japanese transplant vehicles.

WADA

New Mazda president has his share of challenges

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Kenichi Yamamoto remains as chairman.

Mazda, which is in the midst of a new product binge unprecedented in the company's history, will report a 60 percent drop in profit for the fiscal year ending March 31. The company expects unconsolidated pretax profit to slide to about 20 billion yen (about $156 million at current rates), a reduction of some $47 million from earlier estimates and a 59 percent decline for the year.

"Regarding our profitability, 1992 and 1993 performance will continue to be severe," said Wada. "However, we are getting the money from our new models. These models are selling and yielding a profit. By using this profit, we can make new models."

Last year, Mazda launched the new MX-3, RX-7, 929, 626 and MX-6 models. Other debuts included offshoots of the 626 and 929 called MS-6 and MS-9 for the new Anfini channel in Japan. The company also has launched the Eunos 500, a small, upscale sedan that will be introduced in Europe this week at the Geneva auto show as the Xedos 500.

The heavy spending on new models has come at a time when all of the company's major markets are in a downturn.

Wada: expects new segment

"This year's capital spending probably will be the peak," Wada said.

But Wada said that preparations for the premium-car range to be marketed through new channels in the United States and Europe remain on course.

"We will continue with that this year and next year," he said. "The car has a long lead time, so we should take a look at five years ahead. If we shrink at this time, the impact will appear in five years."

Meanwhile, Wada said it would be "premature" to discuss how Mazda plans to differentiate its Amati franchise from Japanese competitors like Lexus and Infiniti. He said only that "Mazda cars always have a distinction from other makers."

In Japan, Mazda's ambitious steps to expand its presence at home have resulted in the addition of 1,200 sales outlets in the last 3½ years. The company has established five separate sales channels as part of a goal to attain 10 percent of Japan's car market by 1993, up from the current 7.3 percent.

The channels include the Mazda network, selling mainstream models ranging from the Familia/323 to the Sentia/929; the new Anfini channel that replaced Mazda Auto and offers sportier models such as the RX-7; the Eunos channel, with a product range geared for younger buyers, including the Eunos Roadster, the Japanese name for the MX-5 Miata; Autorama, which markets Ford Motor Co. models; and Autozam, selling minicars.

But the company has been criticized for bombarding the market with several new models at once, including spin-off versions with different names to fill out the product ranges of the various channels. Some critics contend that the multiplicity of models confuses the market.

But Wada said bluntly: "There is no confusion."

He said Mazda has positioned itself through additional channels to meet the sales demands of Japan's so-called "echo generation" during the 1990s.

With about 10 million people between the ages of 15 and 19 in Japan in 1989, he said "these people will be grown up and they will have a driver's license. In the decade of the 1990s new demand will increase substantially and these people will want something fun to drive. So a new segment will appear in this decade."

Mazda also is raising capacity to meet the new demand. Part of the response is a new plant that opened last month and which will produce Mazda's future premium cars. The plant is designed to produce 150,000 units annually, 20,000 of which are targeted for export to the United States.

Mazda's domestic vehicle sales declined 7.7 percent last year, to 556,000 units. But the company's prediction of an 11.5 percent increase this year, to 620,000 units, is by far the most optimistic forecast of all Japanese companies.

Wada believes the American and Japanese markets bottomed out in 1991, but he expects soft recoveries in both countries. In Europe, the Mazda president worries about a downturn in Germany, where Mazda is particularly strong. But he thinks the overall European market could repeat last year's sales level.

Mazda's sales in Germany trail only Nissan and Toyota among Japanese companies. Mazda's unofficial totals last year were 112,952 units, good for 2.7 percent of the market.

Mazda is facing some serious decisions about its future in Europe. Talks aimed at joint production in Europe between Ford and Mazda have sputtered for years and are now "going slowly," he said.

Previous plans to build Mazdas at a Ford plant in Germany collapsed, and the two companies are now discussing an agreement whereby Ford of Europe would build Ford-based, Mazda-badged models on consignment.

The Eunos 500 will debut in Europe as the Xedos 500 at this week's Geneva auto show.

"This project has taken three years, and it would be a lie if I said I was not disappointed," he said. "However, if by doing this hard work, it takes a lot of time, I can understand the delay."

Wada said exports from Mazda's Flat Rock, Mich., assembly plant to Europe figure into the company's strategy.

As for how those cars will be treated by the European Community — as American or Japanese — he said "that is between America and the EC."

Sources say 626 shipments from Flat Rock to Europe will begin in late 1993.

On other topics, Wada said it is "impossible to predict" whether Japan's Ministry of International Trade and Industry will lower Japan's voluntary ceiling on exports to the United States for the new year beginning April 1.

But, he said, Japan's regulators are now caught between U.S. demands for lower exports and other nations' charges that a separate deal with Washington will violate international trade rules.

"The correct or right action to take is very difficult to determine," he said.

"If we don't change this limit, there will be a reaction. And if we do change the limit, there will be a reaction. So any way we turn, there will be a reaction."

INCENTIVE WATCH— DEALER INCENTIVES

CONTINUING PROGRAMS

ACURA (1991 models, expires May 1)

Legend sedan	$2,500
Legend coupe	$3,000
Integra (expires Feb. 3)	$500

AUDI (1991 models, no expiration date)

Audi 100 and 200	$1,500
Audi 90	$1,000

Rebates apply to models purchased by dealer from Audi of America port stocks.

BMW (no expiration date)

750iL (1991)	$10,000

CHEVROLET (expires May 4 on 1991 models, June 4 on 1992 models)

Corvette ZR-1	$2,000
Other Corvette	$1,000

HONDA (expires March 3)

Accord (1991)	$500

ISUZU (No expiration date; 1990-92 models unless otherwise noted. Rebates vary by regions.)

Impulse	$1,300-2,500
Stylus S	$600-800
Stylus S (Calif. only)*	$1,250
Stylus RS	$600-800
Stylus XS (1991, except Calif.)	$1,100
Stylus XS (Calif. only)*	$2,500
Rodeo 4x2	0-$600
Rodeo 4x4	$750-850
Trooper (except Calif.)	$750-850
Pickup	$500-1,500
Pickup (1991 4x4, bonus in some regions)	$400

*Dealer has option of sharing rebate with buyer.

LOTUS (1991, no expiration date)

Elan	$5,000
Esprit Turbo	$11,000-15,000

MAZDA (expires April 6)

RX-7 (1991)	$2,000
MPV (1992)	$400-600, based on number sold

MITSUBISHI (1990-92 models, expires April 30. This is the range of regional programs. Some rebates are based on number sold or performance against quota.)

Mirage, Galant, Pickup	0-$1,500
Eclipse (national)	$750-1,750

NISSAN (1992 models, expires March 3)

Sentra	$300-500, quota
Stanza	$1,000-1,600, quota
Maxima GXE	$800-1,000, quota

PEUGEOT (no expiration date)

405	$5,000
505	$6,000

PONTIAC (expires June 4 for 1992 models, May 4 for 1991 models)

LeMans	$1,000

PORSCHE (1991 models, no expiration date. To qualify for the following rebates, dealers had to buy two cars from port stock by Jan. 17.)

911 Carrera 2, 928	$9,500
911 Carrera 4	$13,500
911 Turbo	$14,000

SUBARU (1991, expires March 3)

Legacy	$1,200-1,700

SUZUKI (expires April 2)

Swift (1992)	$400-700
Sidekick (1992)	$300-700
Swift (1991)	$700-1,000
Sidekick (1991)	$1,000-1,500

TOYOTA (expires April 2; 1991-92 models unless otherwise noted)

Corolla (1992)	$600-1,000, quota
Celica	$400-800, quota
Tercel	$200-600, quota
Pickups (base 4x2)	$900-1,500, quota
Other pickups	$400-1,000, quota

VOLKSWAGEN (no expiration date)

Passat (1991)	$1,500
Jetta, Fox, Golf (1991)	$500
All 1990 cars	$500-1,500

VOLVO (expires March 31)

1992 models

240 series	$500-1,000
740 series	$1,000-1,500
940 series	$1,500

1991 models

240 series	$1,500
740 series	$1,750-2,500
940 series	$1,500-2,500
780 coupe	$2,500

GE Capital buys Europe fleet leasing business

CHARLES M. THOMAS
Staff Reporter

GE Capital Fleet Services is on the prowl again with an agreement in principal to purchase Avis Lease's European vehicle leasing and fleet management business consisting of 120,000 vehicles in 14 European countries. GE declined to release terms of the purchase.

The leasing giant has also acquired Ballas Leasing Inc.'s 2,300-vehicle lease portfolio for $23 million through its McCullagh Leasing arm.

GE's acquisition of Avis Lease makes it the largest leasing company in Europe. It is already the leading fleet-lease company in the United States. Avis' European operations has total assets of approximately $900 million.

"The acquisition of Avis Lease is part of our strategy to expand GE Capital's focused approach in European markets," said Gary Wendt, chief executive officer of GE Capital.

Avis keeps its daily rental business in Europe, but Avis Lease will continue to use Avis Rent A Car for its pre-delivery and replacement car requirements in Europe.

In the Ballas acquisition, offices in Toledo, Ohio, will be merged into McCullagh's nationwide network of regional business centers in Detroit.

"This acquisition allows McCullagh to strengthen its regional service network in a key market," said Jim Culotta, president and general manager of McCullagh.

Minneapolis-based GE Capital Fleet Services is the largest corporate fleet management company in North America with more than 500,000 cars, trucks and specialty vehicles under lease, management and administration services.

In just six years, GE Capital Fleet Services has acquired eight fleet leasing companies. The company's strategy is to build a fleet leasing company that can deliver vehicles anywhere in the nation. Most of the acquisitions were regional firms that had served several states.

Though growth is expected to slow in coming years, fleet leasing offers revenues from value-added services combining money, knowledge, ideas and specialization for high returns.

Fleet leasing firms help customers manage their fleets by offering services such as title transfers and tax advice, fuel economy data, maintenance tracking and vehicle disposal.

GE buys more than 80,000 vehicles annually through dealers and manufacturers through an ordering dealer, who acts as its agent.

RELOCATE

Ford studies moving British headquarters

continued from PAGE 4

"The writing would be on the wall for Dagenham and Halewood if they move research and development out of the country," said Airlie, referring to Ford's two principal manufacturing operations in Britain.

"What eventually would be left would be a screwdriver operation," he said.

The Ford document, a copy of which was obtained from union sources by *Automotive News*, lists a series of steps "that would build towards co-location of Engineering and Vehicle Manufacturing Group, Ford of Europe, functions in Germany."

If undertaken, the relocation — referred to as Option C — would take place in five phases, the document suggests.

The first phase would include the transfer of 108 engineers from Dunton to Merkenich. The company would then transfer 215 body engineers from Dunton to Merkenich. That would be followed by the transfer of 182 chassis engineers from Dunton to Merkenich, and then 290 trim assembly and plastics workers from Avely to Merkenich. Finally, 102 paint engineers would be relocated from Avely to Niehl.

But the document warns that a "major reaction" to the transfers should be anticipated.

"Even Phase I will raise a major reaction from Ford Britain employees and unions who will believe it to be the first step, as indeed it could be, toward a much larger transfer," the unidentified author of the study says.

The reaction might be sufficiently severe to derail plans for a "phased" transfer, the author warns.

"If the decision is made (to implement Option C), this will have to be communicated upfront, and the associated disruption may force rapid rather than phased transfer," the document reads.

Ford has been exploring ways of cutting its costs in Europe amid a troubling sales downturn in Britain and tumbling profits.

The company last month reported a 1991 loss of $1.1 billion on European operations, compared with profits of $145 million a year earlier and a record $1.7 billion in 1989.

The company confirmed last month that it is studying the possibility of relocating its headquarters to the Continent as part of a plan to eliminate thousands of jobs and slash development spending by 25 percent in coming years.

Ford's two principal British plants, Dagenham and Halewood, have long been rumored as targets for closing because of their inefficiency relative to the company's Continental operations.

According to one Ford study, Dagenham-produced Fiestas require 57 man-hours of assembly compared to 33 hours at the company's plant in Valencia, Spain.

INCENTIVE WATCH — CUSTOMER INCENTIVES

CONTINUING PROGRAMS

CHRYSLER CORP.

Expires March 31. Finance rates in lieu of rebates from zero to 9.9 percent.

1991-92 models

Chrysler New Yorker Fifth Ave., Imperial	$1,500
N.Y. Salon, LeBaron sedan	$1,000
LeBaron coupe, conv.	$500
Dodge Monaco	$1,500
Shadow, Spirit	$1,000
Daytona, Colt 3-dr.	$500
Dodge Ramcharger	$2,000
Ram wagon (van and conversion)	$1,000
Ram pickup (gas), Dakota pickup	$750
Ram 50 pickup	$500
Eagle Premier	$1,500
Talon	$1,000
Summit 3-dr., 4-dr., '92 wagon	$500
Jeep Cherokee	$1,500
Comanche	$750
Wrangler	$500
Plymouth Sundance, Acclaim, Laser	$1,000
Colt 3-dr., '92 Vista	$500
All minivans	$500
Northeast region only: LeBaron sedan, Acclaim, Spirit	$1,500

FORD MOTOR CO.

1992 models

Expires March 31, unless otherwise noted. In lieu of rebates, finance rates of 2.9 to 7.9 percent are offered.

Ford Taurus SHO, Probe	$1,000
Thunderbird Sport, SC (Calif.)	$1,500
Thunderbird (non-Calif.)	$750
Tempo (regional)	$500-1,000
Escort (regional)	$500-750
Crown Victoria, Mustang, Festiva	$500
Other Taurus (Calif.)	$1,000
Other Taurus (non-Calif.)	$500
Ford Econoline RV	$1,000
Ranger (Calif.)	$1,000
Ranger (non-Calif.)	$750
Bronco	$750
Aerostar (regional)	$500-1,000
F series	$400
Mercury Cougar XR7 (Calif.)	$1,500
Cougar (non-Calif.)	$750
Capri	$750
Tracer (regional)	$500-750
Sable (Calif.)	$1,000
Sable (non-Calif.)	$500
Topaz (regional)	$500-1,000
Grand Marquis	$500
Lincoln Town Car, Mark VII, Continental	$1,500
Crown Victoria, Grand Marquis, all Lincolns: Extra rebate to owners of Ford Motor Co. vehicles (expires March 3)	$1,000

1991 models

Expires March 31. In lieu of rebates, finance rates of 2.9 to 7.9 percent are offered.

Ford Festiva, Probe	$1,000
Escort, Mustang, Thunderbird	$750
Taurus SHO	$600
Tempo, other Taurus	$400
Ford Bronco, Econoline E-150 RV	$1,000
Aerostar (regional)	$400-1,000
Ranger, F series, other Econoline	$400
Mercury Capri	$2,000
Tracer, Cougar	$750
Topaz, Sable	$400

GENERAL MOTORS

1992 models

Expires June 4, unless otherwise indicated. In lieu of rebates, finance rates of 2.9 to 6.9 percent are offered.

Buick (based on option package ordered) Riviera	$2,000
Skylark, Century, Regal, LeSabre	$250-1,000
Cadillac (expires March 31) DeVille, Fleetwood, Brougham	$1,500
Chevrolet Lumina; Geo Storm, Prizm, Metro (manual)	$750
Cavalier, Camaro	$500
Geo Metro (automatic)	$300
Chevrolet S/T Blazer	$1,000
S/T pickup, Lumina APV	$750
G van	$500-750
C/K pickup	$400
GMC S15 Jimmy (exc. Typhoon)	$1,000
Sonoma (exc. Syclone)	$750
Sierra (regular cab)	$400
GMC (expires March 31) G van	$500-1,000
Safari	$500
Oldsmobile (regional) Toronado, Silhouette, Bravada	$1,000-2,000
Custom Cruiser	$1,000-1,500
Cutlass Ciera	$1,000
Cutlass Supreme	$750-1,500
Ninety Eight, Eighty Eight	$500-1,250
Pontiac Grand Prix, Trans Sport	$750
Sunbird, Grand Am, Firebird, Bonneville	$500

1991 models

Expires May 4, unless otherwise indicated. In lieu of rebates, finance rates of 2.9 to 6.9 percent are offered.

Buick (based on option package ordered) Reatta	$2,000
(other rebates same as 1992 models)	
Chevrolet (same as 1992 models, cars and trucks)	
GMC (expires March 31) G van	$500-1,000
Safari	$400
Other GMC (expires May 4) Same as 1992 rebates on S15 Jimmy, Sonoma, Sierra	
Oldsmobile (regional) Cutlass Calais	$700-1,000
(other rebates same as 1992 models)	
Pontiac (same as 1992 models)	

HYUNDAI (expires April 2)

Excel (1991)	$1,000
Excel (1992)	$500
Elantra (1992)	$1,000
Scoupe (1991)	$750
Scoupe (1992)	$500
Sonata (1991)	$1,500
Sonata (1992)	$750

MAZDA (1992 models, expires April 6)

Protege, 626, MX-6	$1,000 plus free air conditioning or automatic trans.
Pickups	$400-1,200

MITSUBISHI (expires April 30)

Eclipse (1991-92, national) 5.9 to 8.9 percent loans, based on down payment	
Pickups (1990-92, Southwest region)	$1,000
Mirage (1990-92, Southwest region)	$500

SUBARU (expires March 3)

Loyale (1991-92, fwd sedan, awd wagon)	$500
Legacy L, L Plus (1992)	$500

incentive WATCH

Toyota hikes dealer rebates by regions

Toyota Motor Sales in U.S.A. is offering regional incentives to its dealers as well as national incentives. The company will not disclose details of its regional programs, but Detroit-area dealers are receiving up to $1,900 on pickups, while the national program tops out at $1,500. Toyota's national program expires April 2.

Ford Motor Co.'s $1,000 "Owner Loyalty" incentive on Ford Crown Victoria, Mercury Grand Marquis and all Lincolns expires March 3, rather than March 31 as previously reported by Ford. The buyers collect if they already own a Ford Motor Co. vehicle made by that division.

Bidwell joins board of investment firm

CLEVELAND — Bennett Bidwell, retired chairman of the Chrysler Motors subsidiary of Chrysler Corp., has joined the board of directors of McDonald & Co. Investments Inc.

Bidwell, 64, was appointed chairman of Chrysler Motors in 1988.

He retired from Chrysler in 1991.

Bidwell currently serves on the boards of Kerr-McGee Corp. and Kelly Management Group.

He is also chairman and a board member of Pentastar, the Chrysler Corp. parent for Snappy, Thrifty and Dollar rental cars.

SCHEDULED PLANT CLOSINGS

Plant	Weeks down	Units lost/ week
CHRYSLER		
Bramalea, Ontario	?	
FORD		
Dearborn, Mich.	3/2	2,800
Ford Mustang		
Lorain, Ohio	3/2	3,800
Ford Thunderbird		
Mercury Cougar		
Edison, N.J.	3/2	2,900
Ford Ranger		
Michigan Truck (Wayne, Mich.)	3/2	2,900
Ford Bronco		
Ford F-series pickup		
Oakville, Ontario	3/2	4,800
Ford Tempo		
Mercury Topaz		
GENERAL MOTORS		
Oshawa, Ontario (No. 1)	3/2	
Chevrolet Lumina		3,000
Oshawa, Ontario (No. 2)	3/2	
Buick Regal		3,000
Chevrolet Lumina		3,000
Total U.S. car		6,400
Total U.S. truck		5,700
Total Canadian car		13,800
Total units lost week of 3/2		25,900

†Plant closed for retooling until spring 1992.
Source: Automotive News Data Center

U.S. AND CANADA CAR AND TRUCK PRODUCTION

Vehicles are domestic unless noted. Vehicles are cars unless noted.

	Est. 2/24-2/29/92	Actual 2/17-2/22/92	Feb. Est.	Year 1/1-2/29/92	Year 1/1-3/2/91
LeBaron J	1,200	1,206	3,570	7,379	4,351
New Yorker	600	0	1,063	3,202	1,955
Fifth Avenue	875	0	1,671	4,056	5,709
Imperial	225	0	420	987	1,668
Town & Country (trk.)	210	282	987	1,574	503
Total Chrysler Div.	**3,110**	**1,488**	**7,711**	**17,198**	**14,186**
Sundance	0	2,072	5,921	8,477	6,986
Acclaim	2,000	1,855	5,463	11,530	16,277
Voyager (trk.)	2,400	2,310	8,533	12,504	13,413
Voyager (Can. trk.)	2,767	2,954	11,126	22,851	16,287
Total Plymouth	**7,167**	**9,191**	**31,043**	**55,362**	**52,972**
Daytona	0	278	815	2,049	1,632
Shadow	0	2,581	7,298	12,369	7,336
Dynasty	3,000	0	5,456	13,112	27,202
Spirit	1,875	1,890	5,863	11,657	14,955
Viper	0	0	0	0	0
Monaco (Can.)	0	0	0	0	329
Caravan (trk.)	3,000	2,922	10,860	16,862	17,469
Caravan (Can. trk.)	3,677	3,511	14,611	30,778	21,916
Caravan C/V (trk.)	210	21	365	501	766
Caravan C/V (Can. trk.)	156	207	774	1,506	686
Dakota (trk.)	0	3,080	8,649	16,629	6,881
Ram pickups (trk.)	0	1,504	4,246	8,164	6,893
Ram Wagon (Can. trk.)	0	572	1,600	3,566	2,659
Ram Van (Can. trk.)	0	1,421	4,266	8,850	4,909
Total Dodge	**11,918**	**17,967**	**64,805**	**126,843**	**113,833**
Premier (Can.)	0	0	0	0	954
Cherokee (trk.)	3,500	3,435	12,324	19,243	14,589
Comanche (trk.)	25	69	247	445	1,072
Grand Cherokee (trk.)	650	766	2,203	2,525	0
Wagoneer (trk.)	50	70	165	216	515
Wrangler (Can trk.)	1,932	1,955	7,817	15,365	7,238
Total Jeep-Eagle	**6,167**	**5,295**	**22,756**	**37,794**	**24,368**
Total U.S. car	**9,775**	**9,882**	**37,542**	**74,618**	**68,080**
Total Can. car	**0**	**0**	**0**	**0**	**1,283**
Total U.S. truck	**10,055**	**14,459**	**48,579**	**78,663**	**62,101**
Total Can. truck	**8,532**	**10,620**	**40,194**	**82,916**	**53,695**
CHRYSLER CORP.	**28,362**	**34,961**	**126,315**	**236,397**	**205,159**
Escort	0	5,779	5,779	16,154	23,653
Mustang	2,823	2,800	5,623	10,656	7,933
Tempo	3,095	3,334	9,639	17,923	16,789
Tempo (Can.)	3,360	3,394	6,763	17,664	18,404
Taurus	8,752	10,072	36,113	60,569	43,420
Thunderbird	2,164	2,158	8,531	12,527	8,560
Crown Victoria (Can.)	2,521	1,730	8,335	12,783	16,420
Aerostar (trk.)	4,010	4,035	16,109	27,379	17,537
Bronco (trk.)	666	617	1,926	2,992	1,935
Explorer trk.)	6,731	6,662	26,551	52,965	44,249
Mazda Navajo (trk.)	83	84	311	621	3,295
Econoline (trk.)	4,429	2,240	13,138	27,053	13,718
Heavies (trk.)	1,043	1,055	4,201	7,100	5,810
Light trucks (trk.)	8,089	9,596	36,546	71,099	32,030
Light trucks (Can. trk.)	3,040	3,047	12,224	27,361	13,411
Ranger (trk.)	7,185	4,445	17,899	34,980	36,429
Total Ford Division	**58,000**	**61,048**	**209,668**	**399,828**	**303,593**
Topaz	1,305	1,091	3,601	7,053	6,549
Topaz (Can.)	1,431	1,355	2,786	5,584	4,903
Cougar	1,436	1,442	5,690	8,347	5,779
Sable	1,746	535	5,875	14,852	13,534
Grand Marquis (Can.)	2,295	2,730	10,694	15,200	1,646
Total Mercury	**8,213**	**7,153**	**28,646**	**51,036**	**32,411**
Continental	951	949	3,940	5,426	10,022
Mark VII	240	251	946	1,204	1,747
Town Car	2,985	3,000	11,982	16,748	23,565
Total Lincoln	**4,176**	**4,200**	**16,768**	**23,378**	**35,334**
Total L-M Division	**12,389**	**11,353**	**45,414**	**74,414**	**67,745**
Total U.S. car	**25,497**	**31,411**	**97,619**	**171,461**	**161,551**
Total Can. car	**9,616**	**9,209**	**28,578**	**51,231**	**41,373**
Total U.S. truck	**32,236**	**28,734**	**116,681**	**224,189**	**155,963**
Total Can. truck	**3,040**	**3,047**	**12,224**	**27,361**	**13,411**
FORD MOTOR CO.	**70,389**	**72,401**	**255,102**	**474,242**	**371,338**
Skylark	1,790	1,649	6,530	11,237	21,061
Century	1,445	1,419	4,289	8,610	10,601
Regal (Can.)	2,100	2,194	6,375	10,901	16,160
Riviera	237	217	908	1,805	2,213
Park Avenue/Electra	0	1,741	5,192	8,588	20,103
LeSabre	2,310	1,673	10,491	23,298	33,409
Roadmaster sedan	1,380	1,385	5,475	10,814	0
Roadmaster wagon	240	405	1,022	2,132	459
Reatta	0	0	0	0	257
Total Buick	**9,562**	**10,683**	**40,282**	**77,385**	**104,263**
Eldorado	995	924	3,838	7,247	2,835
Seville	1,041	979	4,016	7,554	5,340
Brougham	0	0	0	2,170	2,895
DeVille	2,978	3,745	14,529	17,962	25,592
Allante	33	15	64	64	538
Total Cadillac	**5,047**	**5,663**	**22,447**	**34,997**	**37,200**
Cavalier	4,530	4,567	17,887	34,063	46,632
Camaro	1,438	1,458	4,322	8,554	6,049
Corsica-Beretta	0	0	9,030	28,576	33,384
Lumina (Can.)	6,850	6,992	20,028	33,327	23,868
Caprice	2,760	2,782	9,668	17,491	20,439
Corvette	480	470	1,871	2,321	4,033
Astro (trk.)	3,178	2,852	13,175	27,623	13,391
Blazer (trk.)	550	500	1,719	3,129	1,351
Lumina APV (trk.)	1,487	1,473	2,960	5,954	4,769
Mediums (trk.)	94	51	337	921	1,620
P-model (trk.)	480	471	1,910	3,012	2,386
Pickups (trk.)	6,764	6,958	27,474	35,056	32,922
Pickups (Can. trk.)	3,850	3,903	15,843	33,729	26,803
S10 (trk.)	3,952	687	6,979	22,679	39,119
S10 Blazer (trk.)	3,353	1,860	9,409	21,033	7,476
Sportsvan (trk.)	1,153	910	4,211	8,297	4,952
Sportsvan (Can. trk.)	1,550	1,609	6,451	12,034	3,495
Suburban (trk.)	800	738	2,859	6,606	3,903
Total Chevrolet	**43,259**	**38,251**	**156,133**	**304,485**	**276,582**
Achieva/Calais	2,820	2,276	10,727	20,764	16,328
Cutlass Ciera	3,604	3,527	10,692	20,368	7,725
Cutlass Ciera (Can.)	0	0	0	0	7,877
Cutlass Supreme	2,400	0	2,400	8,907	15,787
Toronado	94	88	396	964	1,266
Eighty Eight	1,077	1,734	6,944	13,452	15,689
Custom Cruiser wag.	140	157	444	887	0
Ninety Eight	630	942	4,020	5,312	15,898
Silhouette (trk.)	567	572	1,129	2,149	1,708
Bravada (trk.)	286	117	991	2,503	4,079
Total Oldsmobile	**11,698**	**9,413**	**37,743**	**75,326**	**86,447**
Sunbird	2,030	1,986	8,065	15,879	20,563
Grand Am	4,630	4,316	17,299	36,668	32,631
Firebird	562	559	1,678	3,555	1,581
Grand Prix	3,360	3,307	9,995	19,261	14,713
Pontiac 6000	0	0	0	0	5,333
Bonneville	0	2,577	8,368	13,611	11,365
Trans Sport (trk.)	789	799	1,588	2,763	2,683
Total Pontiac	**11,371**	**13,544**	**46,963**	**91,737**	**88,880**
Yukon/Jimmy (trk.)	135	128	542	890	466
Mediums (trk.)	641	549	2,182	4,258	3,331
P-model (trk.)	50	41	179	390	471
Pickups (trk.)	2,509	1,971	9,359	14,566	11,841
Pickups (Can. trk.)	1,500	1,521	5,712	12,156	9,345
Syclone/Sonoma (trk.)	2,093	629	3,088	5,960	9,664
Typhoon/S15 Jimmy (trk.)	841	684	2,437	5,624	3,747
Safari (trk.)	1,286	1,554	5,051	9,789	5,587
Suburban (trk.)	720	606	2,624	3,517	3,448
Vandura (trk.)	490	473	2,102	4,846	2,315
Vandura (Can. trk.)	600	618	2,545	6,319	2,365
Total GMC	**10,865**	**8,832**	**35,821**	**68,335**	**52,578**
Total Saturn*	**3,350**	**3,350**	**13,400**	**26,184**	**6,865**
Total U.S. car	**46,354**	**49,248**	**193,550**	**378,318**	**401,604**
Total Can. car	**8,950**	**9,186**	**28,403**	**44,228**	**47,985**
Total U.S. truck	**32,208**	**24,683**	**102,305**	**191,585**	**161,317**
Total Can. truck	**7,500**	**7,649**	**30,551**	**64,238**	**42,008**
GENERAL MOTORS	**95,012**	**89,766**	**352,809**	**678,369**	**652,834**
Can. car	2,200	2,215	8,867	19,058	22,095
Can. trk.	1,300	1,334	5,344	11,709	9,447
CAMI*	**3,500**	**3,549**	**14,211**	**30,767**	**31,542**
DIAMOND-STAR*	**3,449**	**3,315**	**13,316**	**28,348**	**28,783**
Civic	1,600	1,712	6,900	14,494	14,536
Civic (Can.)	2,410	2,450	9,782	19,594	18,274
Accord	8,400	8,471	33,450	67,417	58,266
Total U.S. car	**10,000**	**10,183**	**40,350**	**81,911**	**72,802**
Total Can. car	**2,410**	**2,450**	**9,782**	**19,594**	**18,274**
HONDA	**12,410**	**12,633**	**50,112**	**101,505**	**91,076**
HYUNDAI Sonata (Can.)	**0**	**0**	**1,179**	**2,828**	**7,268**
MAZDA*	**0**	**0**	**2,098**	**11,109**	**26,160**
U.S. trk.	1,585	1,562	4,699	11,446	12,526
Can. trk.	165	161	654	1,335	1,329
NAVISTAR	**1,750**	**1,723**	**5,353**	**12,781**	**13,855**
Sentra	2,799	2,874	11,458	24,855	25,591
Pickup (trk.)	2,784	2,886	11,325	24,272	24,449
NISSAN	**5,583**	**5,760**	**22,783**	**49,127**	**50,040**
Geo Prizm	1,900	1,923	7,654	16,151	17,927
Toyota Corolla	2,350	2,341	9,299	19,657	17,811
Toyota Hilux (trk.)	830	748	3,051	5,226	0
NUMMI	**5,080**	**5,012**	**20,004**	**41,034**	**35,738**
Legacy	1,200	1,130	4,698	9,832	9,995
Pickup (trk.)	515	544	1,980	4,203	0
Rodeo (trk.)	885	964	3,459	7,342	0
Total U.S. car	**1,200**	**1,130**	**4,698**	**9,832**	**9,995**
Total U.S. trk.	**1,400**	**1,508**	**5,430**	**11,545**	**9,783**
SUBARU-ISUZU	**2,600**	**2,638**	**10,137**	**21,377**	**19,788**
Camry	4,724	4,721	18,828	39,964	38,031
Corolla (Can.)	1,500	1,548	6,204	12,283	11,525
TOYOTA	**6,224**	**6,269**	**25,032**	**52,247**	**49,556**
VOLVO 740, 940 (Can.)	**150**	**120**	**570**	**1,206**	**1,493**
AM GENERAL (trk.)	**375**	**375**	**1,500**	**3,075**	**3,650**
MISCELLANEOUS (trk.)**	**2,400**	**2,400**	**9,600**	**19,600**	**24,200**
Total U.S. car	**168,048**	**116,828**	**436,412**	**854,424**	**806,345**
Total Canada car	**24,826**	**24,728**	**81,563**	**150,428**	**151,218**
Total U.S.-Canada Car	**132,874**	**140,756**	**517,975**	**1,004,852**	**1,037,561**
Total U.S. truck	**83,873**	**77,355**	**303,179**	**569,681**	**453,039**
Total Canada truck	**29,537**	**22,811**	**88,967**	**187,558**	**119,890**
Total U.S.-Canada truck	**164,410**	**100,166**	**392,146**	**757,240**	**572,929**
TOTAL U.S.	**191,921**	**193,383**	**739,591**	**1,424,105**	**1,339,384**
TOTAL CANADA	**45,363**	**47,539**	**170,530**	**337,987**	**271,108**
TOTAL U.S.-CANADA CAR & TRUCK	**237,284**	**240,922**	**910,121**	**1,762,092**	**1,610,490**

*Estimate

*CAMI includes Geo Metro and Suzuki Swift cars and Geo Tracker and Suzuki Sidekick trucks; Diamond-Star includes Eagle Summit and Talon, Mitsubishi Eclipse and Mirage and Plymouth Laser; Mazda includes MX-6, 626 and Ford Probe.

**Estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz.

May contain error of one or two units due to rounding.

Output leads '91 by 9.4%

ANNE E. WRIGHT
Chief Statistician

So far this year, car and truck production in the United States and Canada tops 1991 by 9.4 percent. U.S. output is up 6.3 percent, and Canadian producers have assembled 24.7 percent more vehicles than last year.

Last week's estimated car production in the United States was 108,048, down 6.9 percent from the prior week and up 1.6 percent from the 1991 week. In the year-ago week, 14 U.S. and Canadian assembly plants were idle because of high inventories and poor sales. Ten car plants and four truck plants were closed.

For the year to date, U.S. car production is 854,424, down 3.6 percent from the same period in 1991.

Estimated truck production last week in the United States was 83,873, up 8.4 percent from the prior week and up 49.1 percent from the same week in 1991.

U.S. truck producers have assembled 569,861 units this year, topping the same period in 1991 by 25.7 percent.

In Canada last week, car production was estimated at 24,826, up 98 units from the prior week and 10.4 percent above the year-ago week.

Year-to-date, Canadian car production is 150,428, a dip of 0.5 percent from the same period in 1991.

Canadian truck producers' estimated assembly at 20,537 units last week, 10.0 percent below the prior week but 14.4 percent over the same week one year ago.

Thus far in 1992, Canadian truck production is 187,559, an increase of 56.4 percent over 1991.

U.S. and Canadian makers' daily build rate was 47,457 last week, down 1.5 percent from the previous week and up 16.9 percent from the year-ago week.

U.S. carmakers split last week's estimated car production as follows: General Motors, 42.9 percent; Ford Motor Co., 23.6 percent; Honda of America Manufacturing Inc., 9.3 percent; Chrysler Corp., 9.0 percent; Toyota Motor Manufacturing U.S.A. Inc., 4.4 percent; New United Motor Manufacturing Inc., 3.9 percent; Diamond-Star Motors Corp., 3.2 percent; Nissan Motor Manufacturing Corp. U.S.A., 2.6 percent and Subaru-Isuzu Automotive Inc., 1.1 percent.

Mazda Motor Manufacturing (USA) Corp.'s plant in Flat Rock, Mich., is down for changeover to production of 1993 models.

GM scheduled overtime last Saturday at four truck assembly plants: Janesville, Wis.; Moraine, Ohio; Scarborough, Ontario; and Oshawa, Ontario. The Janesville plant also worked overtime last Friday.

Ford scheduled Saturday overtime at the Kansas City, Mo., truck facility last week.

Chrysler's St. Louis (No. 2) truck plant operated two nine-hour shifts last Saturday and is scheduled to operate three seven-hour shifts this week.

obituaries

Joan Behrens

MIDDLETOWN, Conn. — Joan Behrens, 73, retired president of Essex Buick-Cadillac-Jeep, died Feb. 18.

Howard Brush

MIDDLESBURY, Vt. — Howard Earle Brush, 79, owner of Brush Motors Inc. (Ford-Lincoln-Mercury-Jeep) and former president of the Vermont Automobile Dealers Association, died Feb. 11.

Robert Cutler

QUINCY, Mass. — Robert Cutler, 20-year owner of Cutler Volkswagen in Weymouth, Mass., died Feb. 14. He was 78.

George Frees

WAUWATOSA, Wis. — George Frees, 70, former owner of G.F. Motors in Chicago (Renault-Fiat-Peugeot) died Jan. 19.

Richard Laliberte

GRAND ISLE, Vt. — Richard Laliberte, 78, retired Chrysler-Plymouth dealer, died Feb. 14.

W.H. McBride

SUN CITY WEST, Ariz. — W.H. "Hal" McBride, retired owner of Home Motor Chevrolet of Santa Maria, Calif., died recently. McBride was 83.

Lester Reifschneider

OREGON CITY, Ore. — Lester Reifschneider, former owner of Lester Reifschneider Buick in Hood River, Ore., died Feb. 14. He was 84.

Franklin See

PHOENIX — Franklin See, of Frank See Chevrolet in Midland, Texas, died Feb. 13. He was 67.